This record is a partial extract of the original cable. The full text of the original cable is not available.

UNCLAS SECTION 01 OF 02 TEGUCIGALPA 002174

SIPDIS

DEPT. FOR WHA/PD; IIP/G/WHA DIPASQUALE; AND IIP/T/ES DEPT. FOR EB/TPP DCLUNE, WHA/EPSC AND WHA/CEN

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TAGS: OIIP KPAO ETRD HO USTR SUBJECT: MEDIA REACTION ON CAFTA, OCTOBER 21, 2005

11. On 10/21 the Tegucigalpa-based liberal daily "La Tribuna" published an editorial entitled "Reciprocity." "Who knows what happened to the Nicaraguan government, which, after all the support that the Hondurans have given to Mr. Enrique during the entire political crisis, it seems sometimes that there is no reciprocity. First it was the subject of the petroleum concessions in the Honduran maritime, still not resolved, and now this last blockage to Honduran merchandise at border customs."

"It seems that the recent political agreement between Ortega and Mr. Enrique will give tranquility to the government for some time once the threats of an ouster are dissipated and through a law in which the application of the constitutional reforms that clip the Executive's powers are delayed until the year 2007."

"To the group of congressmen loyal to Aleman had no choice to join the initiative. The `sandinistas' were also scared by the possibility that the liberal party and other conservative groups would go against them in elections after the surprise approval of CAFTA in the legislative chamber, the product of the negotiation of a high official of the U.S Department of State who recently visited the country.

"The subject of the blockade of Honduran carriers at border customs, trying to apply a governmental resolution in which the merchandise that circulate in and out of Nicaraguan territory solely can only be transported by vehicles with Nicaraguan license plate. Does the Nicaraguan government know that this arbitrary resolution violates integration treaties?

"Thank heavens that at the SICA Summit in San Salvador, and as a result of the U.S. Secretary of Commerce's trip, Mr. Enrique announced in meetings between the regional transport authorities the conflict has been resolved. This not only prevented vehicles with Honduran plate from crossing the border, but also affected truck drivers from Guatemala, El Salvador, Costa Rica and Panama."

12. On 10/21, the Tegucigalpa-based moderate daily "El Heraldo" published an editorial entitled "The Difficult Integration of Central America." "The prohibition of Central American carriers in Nicaraguan territory is once more an example that the integration of the isthmus continues to be a dream.

"Costa Rica's resistance to integrate completely with the rest of Central America and its resistance with its own CAFTA are also proof of the difficult integration process. Costa Rica, which negotiated part of CAFTA with the United States separately, is the only country that has not ratified

"Yesterday former president Luis Alberto Monge and dozens of academics, industrialists and politicians of diverse parties published a declaration in which they ask President Abel Pacheco to reject CAFTA because `it is inconvenient for Costa Rica... it would be a ideological straight jacket that prevents the freedom of choosing our own way of development, ' since `it will force the privatization of state institutions that have allowed the development of the country.

"The Salvadoran delays in the demarcation of the border with Honduras are also linked to the chain of facts that demonstrate that a certain reluctance to Central American integration persists, something that long ago stopped being an option and become a necessity.

13. On 10/21 the San Pedro Sula-based liberal daily "La Prensa" published an editorial entitled "Nicaragua Again." "Nicaragua is again the stone in the path, the hair in the soup or, rather, the bitter broth of regional integration when it closed its borders to Central American transport, violating therefore the agreements and preventing the reforms necessary in the customs system agreed by CAFTA."

"Less than three months until the treaty is to be put into

effect, the reforms in the regional customs system are a great obstacle to facilitating the commerce that is needed to modernize the computerized systems and to improve security."

"The Secretary of Commerce declared during that this is an obstructionist attitude on a tour of the region before the the agreement is put into effect with the American Union."

"The installation of a U.S. customs in the facilities of Puerto Cortes makes possible greater speed and security in exports that leave certified and enter into the North American market without any extra requirements."

"The bet for integration is irreversible and dramatically necessary, the desperate attempts do not do more than show the impotence and the shortage of initiatives to face the challenges of the world-wide economy."

Williard